



IN REPLY  
REFER TO

**DEFENSE LOGISTICS AGENCY**  
DEFENSE ENERGY SUPPORT CENTER  
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OCT 01 1999

DESC-CPA (W. Latimer)  
CONTRACTING INSTRUCTION (CI): 99-18

MEMORANDUM FOR CI DISTRIBUTION

SUBJECT: Multiyear Determination and Findings

The "Determination and Findings" listed below, in effect from October 1, 1999 through September 30, 2000, are available at the DESC Procurement Policy (DESC-CPA) web page, located at: <http://www.desc.dla.mil/main/p/policy/policy.htm>

Determination and Findings to:

1. Enter multiyear contracts,
2. Enter multiyear service contracts,
3. Exclude cancellation provisions, and
4. Solicit only multiyear prices.

Under the terms of the D&F granting authority to enter into multiyear contracts, Contract Specialists will prepare a "Memorandum for the Record", for each individual acquisition, addressing the benefits of multiyear contracting for that procurement using the "Present Value Analysis" (PVA) approach. A sample PVA addressing procurement administrative man-hour cost is included with this CI, and the electronic version can be found in the "Q:\P\PC\PCA\Present Value Analysis" file.

SHARON L. MURPHY  
Center Senior Procurement Official  
Defense Energy Support Center

Attachment



PROCUREMENT CYCLE COST SAVINGS BY USING MULTITYEAR CONTRACTS  
(Multiyear Service Contracts Year 2000)

Services	Preaward Hours +	Postaward Hours =	Total Hours saved x	GS-12/05 Labor Rate =	Dollars Saved per award x	Number of Contracts x	*Years Saved =	TOTAL Savings
PR Prep	0	0	0	26.58	-	0	0	-
SOW	0	0	0	26.58	-	0	0	-
Presolicitation	0	0	0	26.58	-	0	0	-
Documents								
Solicitation	0	0	0	26.58	-	0	0	-
Prep/Publishing								
Tech Evals	0	0	0	26.58	-	0	0	-
Past Performance	0	0	0	26.58	-	0	0	-
Negotiations	0	0	0	26.58	-	0	0	-
FPR Eval	0	0	0	26.58	-	0	0	-
Award Docs	0	0	0	26.58	-	0	0	-
FAS/DFAMS Entry	0	0	0	26.58	-	0	0	-
Contract Distribution	0	0	0	26.58	-	0	0	-
DD350	0	0	0	26.58	-	0	0	-
<b>TOTALS</b>	-	-	-	n/a	-	0	0	-

\* Years saved = Contract performance period minus one year.